DDCI, 7E12 Hqs.

Brecutive Begistry

Hank:

OGC has finally located and forwarded the attached opinion. This one is in response to your question at the 5 October EAG/Compt Meeting. This opinion, in summary, states that the Agency's Contingency Reserve may not be used to fund contract overruns. It appears that we must continue to earmark funds to cover expected overruns, if we are to avoid the need for deficiency appropriations.

INTL

sst. Compt Resources 12/8/76

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